

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOHN W. PARSONS, ESQ., *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. MCCARTHY | JENNIFER F. SULLIVAN

## MEMORANDUM

TO: Webster Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: March 1, 2019

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on September 1 of each fiscal year. The schedule is effective in FY19 (since the amount under the prior schedule was maintained in FY19) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.50% to 7.35% and a slight adjustment to the fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

JWP/jrl

P:\actuarial\APPROP\Approp19\webster approval.docx

Enc.



**Webster Retirement System**  
**January 1, 2018 Actuarial Valuation**

Total Cost increasing 6.5% increasing until FY30 with a final amortization payment in FY31

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Amort. of</u> <u>2002 ERIP</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>Total Cost</u> <u>% Increasing</u>
2019	1,126,548	100,000	2,155,982	64,675	3,447,205	28,912,869	
2020	1,177,243	100,000	2,326,445	67,585	3,671,273	28,681,929	6.5%
2021	1,230,219	100,000	2,509,060	70,627	3,909,906	28,250,071	6.5%
2022	1,285,579	100,000	2,704,666	73,805	4,164,050	27,589,496	6.5%
2023	1,343,430	100,000	2,914,157	77,126	4,434,713	26,669,467	6.5%
2024	1,403,884	100,000	3,138,489	80,597	4,722,970	25,456,029	6.5%
2025	1,467,059	100,000	3,378,680	84,224	5,029,963	23,911,714	6.5%
2026	1,533,077	100,000	3,635,820	88,014	5,356,910	21,995,209	6.5%
2027	1,602,065	100,000	3,911,070	91,974	5,705,109	19,661,004	6.5%
2028	1,674,158	100,000	4,205,670	96,113	6,075,941	16,859,002	6.5%
2029	1,749,495	100,000	4,621,382		6,470,878	13,534,102	6.5%
2030	1,828,222	100,000	4,963,262		6,891,485	9,625,739	6.5%
2031	1,910,492	100,000	5,127,264		7,137,756	5,067,388	3.6%
2032	1,996,465	100,000			2,096,465	0	-70.6%

Appropriation payments assumed to be made on average on September 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$300,000

FY19 appropriation maintained at level of prior schedule.